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DE RUEHCV #2656/01 2442119  
ZNR UUUUU ZZH  
R 012119Z SEP 06  
FM AMEMBASSY CARACAS  
TO RUEHC/SECSTATE WASHDC 6130  
INFO RUEHBO/AMEMBASSY BOGOTA 6970  
RUEHBR/AMEMBASSY BRASILIA 5757  
RUEHBU/AMEMBASSY BUENOS AIRES 1448  
RUEHGE/AMEMBASSY GEORGETOWN 0206  
RUEHLP/AMEMBASSY LA PAZ 2324  
RUEHPE/AMEMBASSY LIMA 0572  
RUEHMD/AMEMBASSY MADRID 3180  
RUEHQT/AMEMBASSY QUITO 2412  
RUEHSG/AMEMBASSY SANTIAGO 3754  
RUEHDG/AMEMBASSY SANTO DOMINGO 0304  
RUEHAO/AMCONSUL CURACAO 1007  
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UNCLAS SECTION 01 OF 02 CARACAS 002656

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E.O. 12958: N/A

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SUBJECT: BRV BOGIES: GOLF COURSE EXPROPRIATIONS CAUSE A STIR

REF: CARACAS 2624

11. (SBU) Summary: Opposition is mounting to the expropriation decrees issued by Caracas Mayor Juan Barreto for the Valle Arriba Golf Club and the Caracas Country Club. A Caracas municipal councilman, Carlos Ciordia, published maps on his website showing that the decrees also encompass areas around the golf courses, including 22 embassies and diplomatic residences, the DCM's residence, and the Ambassador's future residence. Within the BRV, high-level officials (including Vice-President Rangel) have disagreed publicly with the decrees, though maintain that only a court can determine their legality. On September 1, an editorial in a leading Chavista newspaper criticized Barreto for his methods, but not for the expropriations themselves. End Summary.

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Embassies expropriated?  
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12. (SBU) According to legal experts, the expropriated area outlined in the Valle Arriba Golf Club decree is based on a 1931 zoning map, which does not reflect residential land development since then. According to Caracas Municipal Councilman Carlos Ciorda, the embassies of France, Iraq, Iran, Kuwait, Saudi Arabia, Norway, Mexico, Poland, and Turkey are within the expropriated area. The DCM's residence and the Ambassador's future residence are also within the boundaries of the decree. In the Caracas Country Club decree the demarcated areas also include the embassies or ambassadors' residences of Germany, Brazil, Portugal, Korea, Britain, Switzerland, Canada, Morocco, Peru, Chile, Belgium, Holland and Spain. No foreign mission has made a public statement on the measure.

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Internal BRV discord  
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13. (SBU) High-level BRV officials were quick to distance themselves from Barreto. On August 30, Vice-President Rangel

made a press statement in the name of President Chavez (who was abroad), expressing that he "did not share the decision adopted by the mayor" and that although private property was not a "sacred right," Barreto's measures could be unconstitutional. Rangel discarded intervention by the Executive and said only a court could overturn the decree.

14. (SBU) An op-ed by VFM Mary-Pili Hernandez published on August 31, accused Barreto of being a "radical" and asked: "Didn't anyone talk to the mayor to clarify what the position of the Executive is?" In turn, Barreto published a response saying that the decision was only his, and wouldn't "compromise our leader, President Chavez." Then he discussed at length the expropriations, saying that they would be paid for with money owed by other Caracas municipalities and that the issue was really about "land distribution" and aimed at the "landholders of concrete."

15. (SBU) On September 1, the lead editorial of Diario Veja, a Chavista party-line daily, criticized Barreto's methods, but not the expropriations themselves. The piece said Barreto's political timing was off, and actually handed the "counter-revolution" an advantage on a "silver platter." It also criticized Barreto for thinking too narrowly and being "precipitous," catering only to the poor sectors when instead he should have first tried to win over the middle class. It also doubted whether housing construction was the best use for the land, instead suggesting that the golf courses could be turned into public parks "open to the populace." The op-ed capped off by suggesting that the Bolivarian revolution needed a combination of "Chinese patience, Vietnamese wisdom, Cuban maturity, and Venezuelan revolutionary verve."

CARACAS 00002656 002 OF 002

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Comment  
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16. (SBU) The use of old zoning maps and inclusion of diplomatic missions and residences within the decree is a sign of the mayor's sloppiness and improvisation. Public outcry against the measure is yet another indication of Venezuelans' respect for private property, and high-level officials are keenly aware that being closely associated with such policies carries negative ramifications. Again Barreto was the only senior BRV official to stick his neck out on this issue -- whether he was ordered to do so or is a loose cannon remains to be seen. For now, Post is studying the possible effects of this decree, but conventional wisdom is that the expropriations won't materialize in an election year due to strong public and BRV backlash. End Comment.

WHITAKER